

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6891

BILL NUMBER: HB 1722

DATE PREPARED: Dec 18, 2000

BILL AMENDED:

SUBJECT: Lawsuits Involving Legal Products.

FISCAL ANALYST: John Parkey

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill prohibits the state or a municipal corporation, including a county, municipality, township, school corporation, or any other separate local governmental entity that may sue and be sued, from bringing an action against a person who legally designs, manufactures, markets, or sells a product for: (1) recovery of damages resulting from, or injunctive relief or abatement of a nuisance relating to, the lawful design, manufacture, marketing, or sale of the product; or (2) recovery of damages resulting from the criminal or unlawful misuse of the product by a third party.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: This bill precludes the possibility of potential revenue generated as a result of a successful tort action brought by the state against a person relating to the lawful design, manufacture, marketing, sale, or use of a product or service. This bill also prevents the recovery of damages resulting from the criminal or unlawful misuse of a product or service by a third party.

Explanation of Local Expenditures:

Explanation of Local Revenues: The provisions described above also apply to local entities and, as such, would prevent them from the potential revenue that could result from bringing a successful tort action against a person who deals in legal products or services or from damages recovered from the criminal or unlawful misuse of a product or service by a third party.

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: All local government entities that may sue or be sued.

Information Sources: